



QUARTERLY STATEMENT

AS OF MARCH 31 , 2014

OF THE CONDITION AND AFFAIRS OF THE

UNITED SECURITY LIFE & HEALTH

NAIC Group Code 4727, 4727 NAIC Company Code 81108 Employer's ID Number 36-3692140

(Current Period) (Prior Period)

Organized under the Laws of Illinois, State of Domicile or Port of Entry Illinois

Country of Domicile US

Incorporated/Organized December 17, 1973 Commenced Business December 17, 1973

Statutory Home Office 6640 S Cicero Avenue, Bedford Park, Illinois 60638 (Street and Number, City or Town, State, Country and Zip Code)

Main Administrative Office 6640 S Cicero Avenue, Bedford Park, Illinois 60638 800-875-4422-6056 (Street and Number, City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 6640 S Cicero Avenue, Bedford Park, Illinois 60638 (Street and Number or P. O. Box, City or Town, State, Country and Zip Code)

Primary Location of Books and Records 6640 S Cicero Avenue, Bedford Park, Illinois 60638 (Street and Number, City or Town, State, Country and Zip Code) 708-475-6056 (Area Code) (Telephone Number)

Internet Website Address unitedsecuritylandh.com

Statutory Statement Contact Edward J Richert 708-475-6056 (Name) (Area Code) (Telephone Number) (Extension) erichert@uslandh.com 708-475-6129 (E-Mail Address) (Fax Number)

OFFICERS

Sandra Jean Horn (President) Robert George Dial (Secretary) Edward Joseph Richert (Treasurer) (Actuary)

OTHER OFFICERS

Jill R Gill (Vice President) Timothy A Horn (Vice President) Lisa Kosvick (Vice President) John M Heyl (Vice President)

DIRECTORS OR TRUSTEES

Robert George Dial Sandra Jean Horn Maria Kim Robert John Staffan Anthony William Strimel

State of Illinois } SS County of Cook }

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions there from for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Sandra Jean Horn President Robert George Dial Secretary Edward Joseph Richert Treasurer a. Is this an original filing? Yes (X) No () b. If no: 1. State the amendment number 2. Date filed 3. Number of pages attached

Subscribed and sworn to before me this 13th day of May, 2014

ASSETS

	Current Statement Date			4
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Col. 1 minus Col. 2)	December 31 Prior Year Net Admitted Assets
1. Bonds	4,064,804		4,064,804	6,597,747
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$ 633,471), cash equivalents (\$ 1,105,273) and short-term investments (\$)	1,738,744		1,738,744	1,715,406
6. Contract loans (including \$ premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Line 1 through Line 11)	5,803,548		5,803,548	8,313,153
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	38,131		38,131	37,100
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				35,900
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	413,905		413,905	1,029,177
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				117,883
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	386,439	386,439		
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	7,546		7,546	9,810
21. Furniture and equipment, including health care delivery assets (\$)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	219,934		219,934	423,842
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets				
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25)	6,869,503	386,439	6,483,064	9,966,865
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Totals (Line 26 and Line 27)	6,869,503	386,439	6,483,064	9,966,865
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above)				
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)				

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$ 500 less \$ included in Line 6.3 (including \$ Modco Reserve)	500	500
2. Aggregate reserve for accident and health contracts (including \$ Modco Reserve)	895,400	1,321,900
3. Liability for deposit-type contracts (including \$ Modco Reserve)		
4. Contract claims:		
4.1 Life	50,000	50,000
4.2 Accident and health	1,534,000	3,834,000
5. Policyholders' dividends \$ and coupons \$ due and unpaid		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ Modco)		
6.2 Dividends not yet apportioned (including \$ Modco)		
6.3 Coupons and similar benefits (including \$ Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$ accident and health premiums		
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on cancelled contracts		
9.2 Provision for experience rating refunds, including the liability of \$ accident and health experience rating refunds of which \$ is for medical loss ratio rebate per the Public Health Service Act		
9.3 Other amounts payable on reinsurance, including \$ assumed and \$ ceded		
9.4 Interest Maintenance Reserve		
10. Commissions to agents due or accrued-life and annuity contracts \$ accident and health \$ 31,247 and deposit-type contract funds \$	31,247	102,509
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued	251,482	300,778
13. Transfers to Separate Accounts due or accrued (net) (including \$ accrued for expense allowances recognized in reserves, net of reinsured allowances)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes	61,528	92,290
15.1 Current federal and foreign income taxes, including \$ on realized capital gains (losses)		
15.2 Net deferred tax liability		
16. Unearned investment income		
17. Amounts withheld or retained by company as agent or trustee		
18. Amounts held for agents' account, including \$ agents' credit balances		
19. Remittances and items not allocated		21,755
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$ and interest thereon \$		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve	43,783	25,294
24.02 Reinsurance in unauthorized and certified (\$) companies		
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$) reinsurers		
24.04 Payable to parent, subsidiaries and affiliates		6,284
24.05 Drafts outstanding		
24.06 Liability for amounts held under uninsured plans		
24.07 Funds held under coinsurance		
24.08 Derivatives		
24.09 Payable for securities		
24.10 Payable for securities lending		
24.11 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	221,903	485,513
26. Total liabilities excluding Separate Accounts business (Line 1 to Line 25)	3,089,843	6,240,823
27. From Separate Accounts statement		
28. Total liabilities (Line 26 and Line 27)	3,089,843	6,240,823
29. Common capital stock	1,000,000	1,000,000
30. Preferred capital stock		
31. Aggregate write-ins for other-than-special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus	9,447,984	9,447,984
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	(7,054,764)	(6,721,942)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)		
36.2 shares preferred (value included in Line 30 \$)		
37. Surplus (Total Line 31 through Line 35 minus Line 36) (including \$ in Separate Accounts Statement)	2,393,220	2,726,042
38. Totals of Line 29, Line 30 and Line 37	3,393,220	3,726,042
39. Totals of Line 28 and Line 38 (Page 2, Line 28, Col. 3)	6,483,063	9,966,865
DETAILS OF WRITE-INS		
2501. REINSURANCE PAYABLE	221,903	485,513
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	221,903	485,513
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Line 3101 through Line 3103 plus Line 3198) (Line 31 above)		
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)		

STATEMENT AS OF MARCH 31, 2014 OF THE UNITED SECURITY LIFE & HEALTH

SUMMARY OF OPERATIONS

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts	1,396,121	5,989,717	20,712,630
2. Considerations for supplementary contracts with life contingencies			
3. Net investment income	31,688	90,222	377,454
4. Amortization of Interest Maintenance Reserve (IMR)			
5. Separate Accounts net gain from operations excluding unrealized gains or losses			
6. Commissions and expense allowances on reinsurance ceded		81,278	339,509
7. Reserve adjustments on reinsurance ceded			
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management , administration and contract guarantees from Separate Accounts			
8.2 Charges and fees for deposit-type contracts			
8.3 Aggregate write-ins for miscellaneous income			
9. Totals (Line 1 to Line 8.3)	1,427,809	6,161,217	21,429,593
10. Death benefits		357,353	853,994
11. Matured endowments (excluding guaranteed annual pure endowments)			
12. Annuity benefits			
13. Disability benefits and benefits under accident and health contracts	1,121,346	4,067,470	16,330,137
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts		96,525	149,722
16. Group conversions			
17. Interest and adjustments on contract or deposit-type contract funds			
18. Payments on supplementary contracts with life contingencies			
19. Increase in aggregate reserves for life and accident and health contracts	(426,500)		(1,152,298)
20. Totals (Line 10 to Line 19)	694,846	4,521,348	16,181,555
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	102,678	485,428	1,702,674
22. Commissions and expense allowances on reinsurance assumed			
23. General insurance expenses	946,024	1,203,167	4,045,113
24. Insurance taxes, licenses and fees, excluding federal income taxes	67,540	163,442	543,045
25. Increase in loading on deferred and uncollected premiums			448
26. Net transfers to or (from) Separate Accounts net of reinsurance			
27. Aggregate write-ins for deductions			
28. Totals (Line 20 to Line 27)	1,811,088	6,373,385	22,472,835
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(383,279)	(212,168)	(1,043,242)
30. Dividends to policyholders			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(383,279)	(212,168)	(1,043,242)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)			
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	(383,279)	(212,168)	(1,043,242)
34. Net realized capital gains or (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ (excluding taxes of \$ transferred to the IMR)	68,452	24,712	866,134
35. Net Income (Line 33 plus Line 34)	(314,827)	(187,456)	(177,108)
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year	3,726,042	3,810,622	3,810,622
37. Net income (Line 35)	(314,827)	(187,456)	(177,108)
38. Change in net unrealized capital gains (losses) less capital gains tax of \$		52,967	(168,904)
39. Change in net unrealized foreign exchange capital gain (loss)			
40. Change in net deferred income tax		(2,210)	206,300
41. Change in nonadmitted assets	494	3,211	(173,620)
42. Change in liability for reinsurance in unauthorized and certified companies			
43. Change in reserve on account of change in valuation basis, (increase) or decrease			
44. Change in asset valuation reserve	(18,489)	(19,244)	228,752
45. Change in treasury stock			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			
47. Other changes in surplus in Separate Accounts Statement			
48. Change in surplus notes			
49. Cumulative effect of changes in accounting principles			
50. Capital changes:			
50.1 Paid in			
50.2 Transferred from surplus (Stock Dividend)			
50.3 Transferred to surplus			
51. Surplus adjustment:			
51.1 Paid in			
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance			
52. Dividends to stockholders			
53. Aggregate write-ins for gains and losses in surplus			
54. Net change in capital and surplus (Line 37 through Line 53)	(332,822)	(152,732)	(84,580)
55. Capital and surplus as of statement date (Line 36 plus Line 54)	3,393,220	3,657,890	3,726,042
DETAILS OF WRITE-INS			
08.301.			
08.302.			
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page			
08.399. Totals (Line 08.301 through Line 08.303 plus Line 08.398) (Line 8.3 above)			
2701.			
2702.			
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page			
2799. Totals (Line 2701 through Line 2703 plus Line 2798) (Line 27 above)			
5301.			
5302.			
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page			
5399. Totals (Line 5301 through Line 5303 plus Line 5398) (Line 53 above)			

CASH FLOW

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	1,168,409	6,072,993	21,274,529
2. Net investment income	47,824	125,971	561,654
3. Miscellaneous income			
4. Total (Line 1 through Line 3)	1,216,233	6,198,964	21,836,183
5. Benefit and loss related payments	2,688,183	4,166,409	18,187,588
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	1,071,500	1,523,709	6,337,071
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)			
10. Total (Line 5 through Line 9)	3,759,683	5,690,118	24,524,659
11. Net cash from operations (Line 4 minus Line 10)	(2,543,450)	508,846	(2,688,476)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	2,588,544	948,969	7,972,854
12.2 Stocks		410,686	2,813,228
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds			
12.8 Total investment proceeds (Line 12.1 through Line 12.7)	2,588,544	1,359,655	10,786,082
13. Cost of investments acquired (long-term only):			
13.1 Bonds		402,657	2,320,367
13.2 Stocks		319,415	711,100
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications			
13.7 Total investments acquired (Line 13.1 through Line 13.6)		722,072	3,031,467
14. Net increase (or decrease) in contract loans and premium notes		(16,786)	(930,066)
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	2,588,544	654,369	8,684,681
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	(21,755)	(8,313)	(6,814,566)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(21,755)	(8,313)	(6,814,566)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	23,339	1,154,902	(818,361)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	1,715,406	2,533,767	2,533,767
19.2 End of period (Line 18 plus Line 19.1)	1,738,745	3,688,669	1,715,406

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001			
20.0002			
20.0003			
20.0004			
20.0005			
20.0006			
20.0007			
20.0008			
20.0009			
20.0010			

EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

	1	2	3
	Current Year to Date	Prior Year to Date	Prior Year Ended December 31
1. Industrial life			
2. Ordinary life insurance		599,215	2,243,455
3. Ordinary individual annuities			
4. Credit life (group and individual)			
5. Group life insurance		6,238	20,138
6. Group annuities			
7. A & H - group	1,535,577	5,797,089	20,234,497
8. A & H - credit (group and individual)			
9. A & H - other	104,294	132,093	507,275
10. Aggregate of all other lines of business			
11. Subtotal	1,639,871	6,534,635	23,005,365
12. Deposit-type contracts			
13. Total	1,639,871	6,534,635	23,005,365
DETAILS OF WRITE-INS			
1001.			
1002.			
1003.			
1098. Summary of remaining write-ins for Line 10 from overflow page			
1099. Total (Line 1001 through Line 1003 plus Line 1098) (Line 10 above)			

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed by the State of Illinois is shown below:

	State of Domicile	2014	2013
<u>NET INCOME</u>			
(1) State Basis	IL	(314,827)	(177,108)
(2) State prescribed practices that increase/ decrease NAIC SAP	IL	0	0
(3) State permitted practices that increase/ decrease NAIC SAP	IL	0	0
(4) NAIC SAP	IL	(314,827)	(177,108)
<u>SURPLUS</u>			
(1) State Basis	IL	3,393,220	3,726,042
(2) State prescribed practices that increase/ decrease NAIC SAP	IL	0	0
(3) State permitted practices that increase/ decrease NAIC SAP	IL	0	0
(4) NAIC SAP	IL	3,393,220	3,726,042

B. Use of Estimates in the Preparation of the Financial Statements

NO CHANGE

C. Accounting Policy

NO CHANGE

2. Accounting Changes and Corrections of Errors

NO CHANGE

3. Business Combinations and Goodwill

NO CHANGE

4. Discontinued Operations

NO CHANGE

5. Investments

NO CHANGE

6. Joint Ventures, Partnerships and Limited Liability Companies

NO CHANGE

7. Investment Income

NO CHANGE

8. Derivative Instruments

NO CHANGE

9. Income Taxes

A. The components of the net deferred tax asset are as follows:

	Current Period			Prior Period		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross deferred tax assets	1,239,719	-	1,239,719	1,239,719	-	1,239,719
Statutory valuation allowance	(853,280)	-	(853,280)	(853,280)	-	(853,280)
Adjusted gross deferred tax assets	386,439	-	386,439	386,439	-	386,439
Deferred tax assets non-admitted	(283,307)	-	(283,307)	(283,307)	-	(283,307)
Admitted deferred taxes	103,132	-	103,132	103,132	-	103,132
Deferred tax liabilities	(103,132)	-	(103,132)	(103,132)	-	(103,132)
Net admitted deferred tax asset (liability)	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

	Current Period			Prior Period		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Federal income taxes paid in prior years reciverable through loss carrybacks (11a)	-	-	-	-	-	-
Lesser of (11b):	-	-	-	-	-	-
Deferred tax assets expected to be realized (11bi)	-	-	-	-	-	-
Limitation threshold (11bii)	-	-	378,948	-	-	378,948
Adjusted gross deferred tax assets offset by deferred tax liabilities (11c)	<u>103,132</u>	<u>-</u>	<u>103,132</u>	<u>103,132</u>	<u>-</u>	<u>103,132</u>
Admitted deferred taxes	<u>103,132</u>	<u>-</u>	<u>103,132</u>	<u>103,132</u>	<u>-</u>	<u>103,132</u>

	Current	Prior
Ratio percentage used to determine recovery period and threshold limitation amount	275%	275%
Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 11b above	3,789,479	3,789,479

B. The Company does not have any unrecognized deferred tax liabilities.

C. The significant components of deferred tax assets:

	Current	Prior
Ordinary:		
Unearned premiums	89,923	89,923
Health reserve discounting	48,623	48,623
Life reserve discounting	243,248	243,248
Deferred acquisition costs	20,843	20,843
Unrealized capital losses	0	0
Deferred compensation	18,700	18,700
Net operating loss carryforward	853,280	853,280
Non-admitted assets	<u>168</u>	<u>168</u>
	1,239,719	1,239,719
Statutory allowance adjustment	(853,280)	(853,280)
Nonadmitted ordinary deferred taxes	<u>(283,307)</u>	<u>(283,307)</u>
Admitted ordinary deferred tax assets	<u>103,132</u>	<u>103,132</u>
Admitted capital deferred tax assets	<u>-</u>	<u>-</u>
Admitted deferred tax assets	<u>103,132</u>	<u>103,132</u>

The significant components of deferred tax liabilities:

Ordinary: Deferred acquisition costs	(103,132)	(103,132)
Capital: Unrealized capital gains	<u>-</u>	<u>-</u>

The change in net deferred income tax is comprised of the following:

	Current	Prior	Change
Gross deferred tax assets	1,239,719	1,239,719	-
Statutory valuation allowance	<u>(853,280)</u>	<u>(853,280)</u>	-
Adjusted gross deferred taxes	386,439	386,439	-
Deferred tax liabilities	<u>(103,132)</u>	<u>(103,132)</u>	-
Net deferred tax asset	<u>283,307</u>	<u>283,307</u>	-
Less change in tax effect of DACs			<u>-</u>
Change in net deferred income taxes			<u>-</u>

D. Federal income taxes incurred	Current	Prior
Provision computed at statutory rate	-	(60,217)
Change in deferred tax on non-admitted assets	-	(4,344)
Tax-exempt income deduction	-	(30,669)
Dividends received deduction	-	(12,203)
Non-deductible expenses	-	1,296
Adjustment to prior year taxes	<u>-</u>	<u>(20,493)</u>
Total statutory income taxes	<u>-</u>	<u>(126,630)</u>
Total federal income taxes incurred	-	-
Change statutory valuation allowance	-	36,430
Change in net deferred income tax	<u>-</u>	<u>(163,060)</u>
Total statutory income taxes	<u>-</u>	<u>(126,630)</u>

NOTES TO FINANCIAL STATEMENTS

- E. NO CHANGE
- F. NO CHANGE

10. Information Concerning Parent, Subsidiaries and Affiliates

- A. NO CHANGE
- B. NO CHANGE
- C. NO CHANGE
- D. NO CHANGE
- E. NO CHANGE
- F. NO CHANGE
- G. The parent company and this reporting entity operate under an allocation agreement which primarily covers employee salaries. As of this statement date, the Company paid its Parent \$66,551 for shared salaries under this agreement.
- H. The parent company controls an agency, United Security Agency of Illinois, which receives commission overrides on direct agent writings. The Company paid overrides totaling \$19,376 during the current year. Also, the paid rent to a Parent Affilliate (6640 LLC) totaling \$78,750 through this statement date.
- I. NO CHANGE
- J. NO CHANGE

11. Debt

NO CHANGE

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and compensated Absences and Other Post-Retirement Benefit Plans

Company employees are covered by a qualified defined contribution retirement plan under IRC Sec 401(k). This Plan is sponsored by the Holding Company (J and P Holdings) and allows for Company contributions of 100% on the first 3% of employee contributions, and another 50% on the next 2% of employee contributions for a maximum contribution of 4% of employee earned compensation. As of this statement date, the Company has contributed \$10,582 during the current year and \$573,889 since the plan's inception.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- A. NO CHANGE
- B. NO CHANGE
- C. NO CHANGE
- D. NO CHANGE
- E. NO CHANGE
- F. NO CHANGE

14. Contingencies

NO CHANGE

15. Leases

The Company leases office space from 6640 LLC. This lease commenced on May 1, 2013 and has a term of five years expiring April 30, 2018.

Future minimum base lease payments required under this noncancelable operating lease through April 30, 2018 are as follows:

<u>Year Ending</u>	<u>Lease</u>
2014	236,250
2015	315,000
2016	315,000
2017	315,000
2018	105,000

There are no leverage leases and the Company is not involved in any material sale-leaseback transactions.

16. Information About Financial Instruments with Off-Balance sheet risk and Financial Instruments with Concentrations of Credit Risk

NO CHANGE

NOTES TO FINANCIAL STATEMENTS

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

NONE

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

The Company's Holding Company (J and P Holdings) administers The United National Insurance Group Benefit Trust. The trust is established to pay the employee health benefits for all the affiliates within the control of the ultimate Holding Company. United Security has paid \$105,363 in employee health benefits during 2014.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

NO CHANGE

20. Fair Value Measurement

The following table set forth by level within fair value hierarchy the company's assets and liabilities that were accounted for at fair value on a recurring basis as of December 31, 2013.

Level 1 - Observable inputs that reflect unadjusted quoted prices for identical assets of liabilities in active markets as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3 - Unobservable inputs that are not corroborated by market data.

	Fair Value 3/31/2014	Recurring Fair Value			Total Loss 3/31/2014
		Level 1	Level 2	Level 3	
Common Stocks		NONE			
	Fair Value 3/31/2014	Nonrecurring Fair Value			Total Loss 3/31/2014
		Level 1	Level 2	Level 3	
Preferred Stocks		NONE			

21. Other Items

None

22. Events Subsequent

The Company has cancelled its PPACA related comprehensive major medical plans effective March 31, 2014. Product lines making up 95% of the company's revenue will no longer exist in 2014.

23. Reinsurance

NO CHANGE

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

The Company has no retrospective premium adjustments due to the terms of its policies. However, a Medical Loss Ratio (MLR) rebate does apply pursuant to the Public Health Service Act.

Prior Reporting Year		Individual	Small Group	Large Group	Other	Total
(1)	MLR rebates incurred					
(2)	MLR rebates paid					
(3)	MLR rebates unpaid					
(6)	Rebates unpaid					
Current Reporting Year-to -Date						
(7)	MLR rebates incurred					
(8)	MLR rebates paid					
(9)	MLR rebates unpaid					
(12)	Rebates unpaid					

25. **Change in Incurred Losses and Loss Adjustment Expenses**

NO CHANGE

26. **Intercompany Pooling Arrangements**

NO CHANGE

27. **Structured Settlements**

NO CHANGE

28. **Health Care Receivables**

NO CHANGE

29. **Participating Policies**

NO CHANGE

30. **Premium Deficiency Reserves**

NONE

31. **Reserves for Life Contracts and Deposit-Type Contracts**

NONE

32. **Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics**

NONE

33. **Premium and Annuity Considerations Deferred and Uncollected**

NONE

34. **Separate Accounts**

NONE

35. **Loss/Claim Adjustment Expenses**

The balance in the liability for unpaid accident and health claim adjustment expenses as of 2014 and 2013 was \$200,000 and \$200,000, respectively. The company incurred \$0 and paid \$0 of claim adjustment expenses in the current year, of which \$0 of the paid amount was attributable to insured or covered events of prior years. The company did not increase or decrease the provision for insured events of prior years.

STATEMENT AS OF MARCH 31, 2014 OF THE UNITED SECURITY LIFE & HEALTH

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes () No (X)
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes () No ()
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes () No (X)
- 2.2

If yes, date of change:

.....
- 3.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes (X) No ()

If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes () No (X)
- 3.3

If the response to 3.2 is yes, provide a brief description of those changes.

.....
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes () No (X)
- 4.2

If the response to 4.1 is yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
---------------------	------------------------	------------------------

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes () No (X) N/A ()
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2011
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2011
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

02/19/2013
- 6.4

By what department or departments?

ILLINOIS
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes (X) No () N/A ()
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes (X) No () N/A ()
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes () No (X)
- 7.2

If yes, give full information

.....
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes () No (X)
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.

.....

- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes () No (X)
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
---------------------	-----------------------------	----------	----------	-----------	----------

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes (X) No ()
- 9.11

If the response to 9.1 is No, please explain:

.....
.....
- 9.2

Has the code of ethics for senior managers been amended?

Yes () No (X)
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).

.....
.....
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes () No (X)
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).

.....
.....

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
- Yes (X) No ()
- 10.2 If yes, indicate the amounts receivable from parent included in the Page 2 amount:
- \$ 218,928

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person?
(Exclude securities under securities lending agreements.)
- Yes () No (X)

- 11.2 If yes, give full and complete information relating thereto:
-

12. Amount of real estate and mortgages held in other invested assets in Schedule BA:
- \$
13. Amount of real estate and mortgages held in short-term investments:
- \$

- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?
- Yes () No (X)

- 14.2 If yes, please complete the following:

	¹ Prior Year-End Book/ Adjusted Carrying Value	² Current Quarter Book/ Adjusted Carrying Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$	\$
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans or Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Line 14.21 to Line 14.26)	\$	\$
14.28 Total Investment in Parent included in Line 14.21 to Line 14.26 above	\$	\$

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?
- Yes () No (X)

- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
- Yes () No ()

If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
- \$
- 16.2 Total book adusted /carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
- \$
- 16.3 Total payable for securities lending reported on the liability page
- \$

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?
- Yes (X) No ()

- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

¹ Name of Custodian (s)	² Custodian Address
---------------------------------------	-----------------------------------

FIFTH THIRD BANK 222 SOUTH RIVERSIDE PLAZA, CHICAGO, IL

- 17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

¹ Name(s)	² Location(s)	³ Complete Explanation(s)
-------------------------	-----------------------------	---

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?
- Yes () No ()

- 17.4 If yes, give full and complete information relating thereto:

¹ Old Custodian	² New Custodian	³ Date of Change	⁴ Reason
-------------------------------	-------------------------------	--------------------------------	------------------------

- 17.5 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

¹ Central Registration Depository	² Name(s)	³ Address
--	-------------------------	-------------------------

105181 MPI INVESTMENTS HINSDALE, IL
105879 DANA INVESTMENTS BROOKFIELD, WI

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?
- Yes (X) No ()

- 18.2 If no, list exceptions:
-

STATEMENT AS OF MARCH 31 , 2014 OF THE UNITED SECURITY LIFE & HEALTH

GENERAL INTERROGATORIES

PART 2 - LIFE INTERROGATORIES

1. Report the statement value of mortgage loans at the end of this reporting period for the following categories:

1

Amount

1.1 Long-Term Mortgages in Good Standing

1.11 Farm Mortgages

1.12 Residential Mortgages

1.13 Commercial Mortgages

1.14 Total Mortgages in Good Standing

\$

\$

\$

\$

1.2 Long-Term Mortgages in Good Standing with Restructured Terms

1.21 Total Mortgages in Good Standing with Restructured Terms

\$

1.3 Long-Term Mortgage Loans upon which Interest is Overdue more than Three Months

1.31 Farm Mortgages

1.32 Residential Mortgages

1.33 Commercial Mortgages

1.34 Total Mortgages with Interest Overdue more than Three Months

\$

\$

\$

\$

1.4 Long-Term Mortgage Loans in Process of Foreclosure

1.41 Farm Mortgages

1.42 Residential Mortgages

1.43 Commercial Mortgages

1.44 Total Mortgages in Process of Foreclosure

\$

\$

\$

\$

1.5 Total Mortgage Loans (Line 1.14 plus Line 1.21 plus Line 1.34 plus Line 1.44) (Page 2, Column 3, Line 3.1 plus Line 3.2)

\$

1.6 Long-Term Mortgages Foreclosed , Properties Transferred to Real Estate in Current Quarter

1.61 Farm Mortgages

1.62 Residential Mortgages

1.63 Commercial Mortgages

1.64 Total Mortgages Foreclosed and Transferred to Real Estate

\$

\$

\$

\$

2. Operating Percentages:

2.1 A&H loss percent

2.2 A&H cost containment percent

2.3 A&H expense percent excluding cost containment expenses

62.1 %

11.2 %

60.0 %

3.1 Do you act as a custodian for health savings accounts?

Yes () No (X)

3.2 If yes , please provide the amount of custodial funds held as of the reporting date

\$

3.3 Do you act as an administrator for health savings accounts?

Yes () No (X)

3.4 If yes , please provide the balance of the funds administered as of the reporting date

\$

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
------------------------------	-------------------	------------------------	----------------------------	--------------------------------------	--------------------------------------	-------------------------------	---	---

0199998 - Life and Annuity - Affiliates

0299998 - Life and Annuity - Non-Affiliates

0399998 - Accident and Health - Affiliates

Accident and Health - Non-Affiliates

21113 13-5459190 UNITED STATES FIRE INS CO DE YRT/I Authorized

0499998 - Accident and Health - Non-Affiliates

STATEMENT AS OF MARCH 31, 2014 OF THE UNITED SECURITY LIFE & HEALTH

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

States, Etc.	1		Direct Business Only					
			Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Column 2 Through Column 5	7 Deposit-Type Contracts
			2 Life Insurance Premiums	3 Annuity Considerations				
	Active Status							
1. Alabama	AL N							
2. Alaska	AK N							
3. Arizona	AZ L				188,128		188,128	
4. Arkansas	AR L				152,996		152,996	
5. California	CA N							
6. Colorado	CO N							
7. Connecticut	CT N							
8. Delaware	DE N							
9. District of Columbia	DC N							
10. Florida	FL N							
11. Georgia	GA N							
12. Hawaii	HI N							
13. Idaho	ID N							
14. Illinois	IL L				506,982		506,982	
15. Indiana	IN L				77,799		77,799	
16. Iowa	IA N							
17. Kansas	KS N							
18. Kentucky	KY N							
19. Louisiana	LA N							
20. Maine	ME N							
21. Maryland	MD N							
22. Massachusetts	MA N							
23. Michigan	MI N							
24. Minnesota	MN N							
25. Mississippi	MS N							
26. Missouri	MO L				267,895		267,895	
27. Montana	MT N							
28. Nebraska	NE L				481,971		481,971	
29. Nevada	NV N							
30. New Hampshire	NH N							
31. New Jersey	NJ N							
32. New Mexico	NM N							
33. New York	NY N							
34. North Carolina	NC N							
35. North Dakota	ND N							
36. Ohio	OH N							
37. Oklahoma	OK N							
38. Oregon	OR N							
39. Pennsylvania	PA N							
40. Rhode Island	RI N							
41. South Carolina	SC N							
42. South Dakota	SD N							
43. Tennessee	TN N							
44. Texas	TX N							
45. Utah	UT N							
46. Vermont	VT N							
47. Virginia	VA N							
48. Washington	WA N							
49. West Virginia	WV N							
50. Wisconsin	WI N							
51. Wyoming	WY N							
52. American Samoa	AS N							
53. Guam	GU N							
54. Puerto Rico	PR N							
55. U.S. Virgin Islands	VI N							
56. Northern Mariana Islands	MP N							
57. Canada	CAN N							
58. Aggregate Other Alien	OT X X X							
59. Subtotal	(a) 6				1,675,771		1,675,771	
90. Reporting entity contributions for employee benefit plans	X X X							
91. Dividends or refunds applied to purchase paid-up additions and annuities	X X X							
92. Dividends or refunds applied to shorten endowment or premium paying period	X X X							
93. Premium or annuity considerations waived under disability or other contract provisions	X X X							
94. Aggregate other amounts not allocable by State	X X X							
95. Totals (Direct Business)	X X X				1,675,771		1,675,771	
96. Plus Reinsurance Assumed	X X X							
97. Totals (All Business)	X X X				1,675,771		1,675,771	
98. Less Reinsurance Ceded	X X X				81,250		81,250	
99. Totals (All Business) less Reinsurance Ceded	X X X				1,594,521		1,594,521	
DETAILS OF WRITE-INS								
58001.	X X X							
58002.	X X X							
58003.	X X X							
58998. Summary of remaining write-ins for Line 58 from overflow page	X X X							
58999. Total (Line 58001 through Line 58003 plus Line 58998) (Line 58 above)	X X X							
9401.	X X X							
9402.	X X X							
9403.	X X X							
9498. Summary of remaining write-ins for Line 94 from overflow page	X X X							
9499. Total (Line 9401 through Line 9403 plus Line 9498) (Line 94 above)	X X X							

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES
OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

PART 1 - ORGANIZATIONAL CHART

NONE

Page 13
Schedule Y, Part 1A
NONE

Schedule Y, Part 1A, Explanation
NONE

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing . However , in the event that your company does not transact the type of business for which the special report must be filed , your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below . If the supplement is required of your company but is not being filed for whatever reason , enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?

Response

NO

Explanation:

Barcode

Document Identifier 490:

81108201449000001

2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

Response

NO

Explanation:

Barcode

Document Identifier 365:

811082014365000001

3. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?

Response

NO

EXPLANATION:

BARCODE:

Document Identifier 445:

811082014445000001

4. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?

Response

NO

EXPLANATION:

BARCODE:

Document Identifier 446:

811082014446000001

5. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC?

Response

NO

EXPLANATION:

BARCODE:

Document Identifier 447:

811082014447000001

6. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC?

Response

NO

EXPLANATION:

BARCODE:

Document Identifier 448:

811082014448000001

7. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC?

Response

NO

EXPLANATION:

BARCODE:

Document Identifier 449:

811082014449000001

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after ac		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/ac		
7. Deduct current year's other-than-temporal		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 minus		
Line 5 plus Line 6 minus Line 7 minus Line 8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after a		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mort		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Line 1 plus Line 2 plus		
Line 3 plus Line 4 plus Line 5 plus Line 6 minus Line 7 minus Line 8 plus Line 9 minus Line 10)		
12. Total Valuation Allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after a		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 plus		
Line 5 plus Line 6 minus Line 7 minus Line 8 plus Line 9 minus Line 10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	6,597,741	14,363,090
2. Cost of bonds and stocks acquired		3,031,464
3. Accrual of discount	87	8,529
4. Unrealized valuation increase (decrease)		(168,905)
5. Total gain (loss) on disposals	68,452	266,132
6. Deduct consideration for bonds and stocks disposed of	2,588,543	10,786,083
7. Deduct amortization of premium	12,937	116,486
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 plus		
Line 5 minus Line 6 minus Line 7 plus Line 8 minus Line 9)	4,064,801	6,597,741
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	4,064,801	6,597,741

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	6,573,612		2,091,298	(71,759)	4,410,555			6,573,612
2. NAIC 2 (a)	1,055,081		497,246	11,727	569,562			1,055,081
3. NAIC 3 (a)	191,110			(1,150)	189,960			191,110
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	7,819,803		2,588,544	(61,182)	5,170,077			7,819,803
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	7,819,803		2,588,544	(61,182)	5,170,077			7,819,803

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:
NAIC 1 \$ 1,105,273 ; NAIC 2 \$; NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	NONE	

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book / adjusted carrying value, December 31 of prior year
2. Cost of short-term investments acquired
3. Accrual of discount
4. Unrealized valuation increase (decrease)
5. Total gain (loss) on disposals	NONE	
6. Deduct consideration received on disposals		
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adju:		
9. Deduct current year's other-than-temporary impairment recognized
10. Book/adjusted carrying value at end of current period (Line 1 + Line 2 + Line 3 + Line 4 + Line 5 - Line 6 - Line 7 + Line 8 - Line 9)
11. Deduct total nonadmitted amounts
12. Statement value at end of current period (Line 10 minus Line 11)

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Schedule DB, Part A, Verification
NONE

Schedule DB, Part B, Verification
NONE

Page SI05

Schedule DB, Pt. C, Section 1, Replicated (Synthetic Assets) Open
NONE

Page SI06

Sch DB, Pt C, Sn 2, Replication (Syn Assets) Transactions Open
NONE

Page SI07

Schedule DB, Verification
NONE

SCHEDULE E - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	1,222,057	2,259,325
2. Cost of cash equivalents acquired		
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	116,784	1,037,268
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Line 1 + Line 2 + Line 3 + Line 4 + Line 5 - Line 6 - Line 7 + Line 8 - Line 9)	1,105,273	1,222,057
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	1,105,273	1,222,057

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Sch. A, Pt. 2, Real Estate Acquired
NONE

Sch. A, Pt. 3, Real Estate Disposed
NONE

Page E02

Schedule B, Part 2, Mortgage Loans Acquired
NONE

Schedule B, Part 3, Mortgage Loans Disposed
NONE

Page E03

Sch. BA, Pt. 2, Other Long-Term Invested Assets Acquired
NONE

Sch. BA, Pt. 3, Other Long-Term Invested Assets Disposed
NONE

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Schedule D, Part 3, Long-Term Bonds and Stocks Acquired
NONE

STATEMENT AS OF MARCH 31, 2014 OF THE UNITED SECURITY LIFE & HEALTH

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U. S. Governments																					
36202D-WU-1	GNMA POOL 3359		02/26/2014	G X Clarke & Co		111,703	102,480.01	102,849	102,854	(7)			(7)		102,847		8,856	8,856	1,236	03/20/2033	1FE
36202E-T2-5	GNMA POOL 4169		02/26/2014	G X Clarke & Co		102,963	93,815.73	101,380	101,707	(197)			(197)		101,509		1,453	1,453	1,252	06/20/2038	1FE
36225C-2Y-1	GNMA POOL 80790		02/11/2014	G X Clarke & Co		222,454	218,092.18	219,183	219,157	(10)			(10)		219,147		3,307	3,307	698	12/20/2033	1FE
36225C-4C-7	GNMA POOL 80818		02/26/2014	G X Clarke & Co		154,695	149,463.35	151,332	151,286	(6)			(6)		151,280		3,415	3,415	929	01/20/2034	1FE
36200J-AY-6	GNMA POOL 602223		03/17/2014	Principal payment		1,522	1,522.23	1,549	1,548	(25)			(25)		1,522					04/15/2018	1FE
36200N-BQ-3	GNMA POOL 604947		03/17/2014	Principal payment		5,926	5,926.16	6,161	6,158	(232)			(232)		5,926					01/15/2034	1FE
36201S-WF-2	GNMA POOL 592046		03/17/2014	Principal payment		7,455	7,455.01	7,809	7,793	(338)			(338)		7,455					05/15/2018	1FE
36202C-7C-1	GNMA POOL 2691		03/20/2014	Principal payment		268	268.36	288	288	(20)			(20)		268					12/20/2028	1FE
36202C-Y9-8	GNMA POOL 2536		03/20/2014	Principal payment		1,477	1,477.40	1,588	1,586	(109)			(109)		1,477					01/20/2028	1FE
36202D-M6-5	GNMA POOL 3081		03/20/2014	Principal payment		568	568.17	600	601	(32)			(32)		568					05/20/2031	1FE
36202D-WM-9	GNMA POOL 3352		03/20/2014	Principal payment		2,923	2,923.00	2,998	2,993	(70)			(70)		2,923					03/20/2018	1FE
36206N-UC-7	GNMA POOL 416479		03/17/2014	Principal payment		338	337.90	338	338						338					01/15/2029	1FE
36209V-J9-6	GNMA POOL 482788		03/17/2014	Principal payment		4,082	4,082.15	4,043	4,044	38			38		4,082					10/15/2028	1FE
3620A9-AF-8	GNMA POOL 722806		03/17/2014	Principal payment		1,244	1,244.41	1,343	1,343	(99)			(99)		1,244					11/15/2039	1FE
36210A-UB-1	GNMA POOL 486678		03/17/2014	Principal payment		754	754.08	754	754						754					11/15/2028	1FE
36210K-LT-0	GNMA POOL 494538		03/17/2014	Principal payment		1,150	1,149.70	1,150	1,150						1,150					03/15/2029	1FE
36213C-WP-1	GNMA POOL 550654		03/17/2014	Principal payment		829	828.95	841	841	(12)			(12)		829					09/15/2035	1FE
36213R-2R-7	GNMA POOL 562484		03/17/2014	Principal payment		3,463	3,463.10	3,519	3,519	(55)			(55)		3,463					02/15/2034	1FE
36225B-B3-1	GNMA POOL 780958		03/17/2014	Principal payment		1,837	1,836.88	1,944	1,942	(105)			(105)		1,837					01/15/2029	1FE
36225C-UC-8	GNMA POOL 80578		03/20/2014	Principal payment		1,013	1,012.80	1,024	1,024	(11)			(11)		1,013					02/20/2032	1FE
36225C-WM-4	GNMA POOL 80651		03/20/2014	Principal payment		904	904.20	911	911	(7)			(7)		904					11/20/2032	1FE
36225C-X9-2	GNMA POOL 80703		03/20/2014	Principal payment		1,037	1,036.70	1,055	1,055	(18)			(18)		1,037					06/20/2033	1FE
36225C-3D-6	GNMA POOL 80795		03/20/2014	Principal payment		7,341	7,341.15	7,470	7,467	(126)			(126)		7,341					12/20/2033	1FE
36225D-MA-9	GNMA POOL 81252		03/20/2014	Principal payment		2,770	2,769.94	2,806	2,806	(36)			(36)		2,770					02/20/2035	1FE
36292E-F3-9	GNMA POOL 646486		03/17/2014	Principal payment		137	136.60	147	149	(12)			(12)		137					04/15/2036	1FE
36296S-VK-8	GNMA POOL 700018		03/17/2014	Principal payment		27	27.19	28	29	(1)			(1)		27					12/15/2038	1FE
38374U-3E-9	GNMA 2009-44 CL GL		03/20/2014	Principal payment		11,359	11,358.61	11,827	11,772	(413)			(413)		11,359					03/20/2037	1FE
38374U-4L-2	GNMA GTD 2009-44 CTF CL MX-PG		03/17/2014	Principal payment		4,545	4,545.09	4,855	4,843	(298)			(298)		4,545					03/16/2033	1FE
36202D-WU-1	GNMA POOL 3359		02/20/2014	Principal payment		4,150	4,150.27	4,165	4,150						4,150					03/20/2033	1FE
36202E-T2-5	GNMA POOL 4169		02/20/2014	Principal payment		4,929	4,928.82	5,326	4,929						4,929					06/20/2038	1FE
36225C-2Y-1	GNMA POOL 80790		02/20/2014	Principal payment		4,160	4,159.88	4,181	4,160						4,160					12/20/2033	1FE
36225C-4C-7	GNMA POOL 80818		02/20/2014	Principal payment		938	937.67	949	938						938					01/20/2034	1FE
0599999	- Subtotal - Bonds - U. S. Governments					668,961	640,997.69	654,412	654,133	(2,202)			(2,202)		651,931		17,031	17,031	4,116		
Bonds - U. S. Political Subdivisions of States, Territories and Possessions																					
676901-W5-6	OHIO HSG FINANCE		02/27/2014	Pershing LLC		5,000	5,000.00	5,063	5,032						5,032		(32)	(32)	114	09/01/2020	1FE
2499999	- Subtotal - Bonds - U. S. Political Subdivisions of States, Territories and Possessions					5,000	5,000.00	5,063	5,032						5,032		(32)	(32)	114		
Bonds - U. S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
31393E-B3-2	FNMA CMO 2003 CE		02/26/2014	G X Clarke & Co		133,497	124,763.55	124,764	129,873						124,764		8,733	8,733	1,501	10/25/2033	1FE
31406G-YX-1	FN 809926		02/11/2014	G X Clarke & Co		251,394	227,377.64	247,842	251,459	(268)			(268)		247,716		3,678	3,678	2,450	02/01/2035	1FE
31417T-YA-0	FN AC-7004		02/11/2014	G X Clarke & Co		239,202	223,552.89	240,599	243,326	(124)			(124)		240,300		(1,098)	(1,098)	1,972	12/01/2024	1FE
3128H4-E9-6	FG E-96460		03/17/2014	Principal payment		3,938	3,938.13	4,237	4,234	(295)			(295)		3,938					05/01/2018	1FE
3128M5-WP-1	FG G-03954 GOLD POOL		03/17/2014	Principal payment		3,867	3,866.65	4,049	4,044	(177)			(177)		3,867					02/01/2038	1FE
3128MC-MX-0	FHLMC PC GOLD G1-3774		03/17/2014	Principal payment		4,930	4,929.91	5,330	5,326	(397)			(397)		4,930					12/01/2020	1FE
3128MC-UR-4	FG G1-3992		03/17/2014	Principal payment		3,037	3,036.77	3,176	3,183	(146)			(146)		3,037					11/01/2025	1FE
31371H-CE-6	FNMA POOL 252169		03/25/2014	Principal payment		486	485.62	489	489	(3)			(3)		486					12/01/2018	1FE
31371H-YB-8	FNMA POOL 252806		03/25/2014	Principal payment		1,204	1,203.95	1,255	1,255	(51)			(51)		1,204					10/01/2029	1FE
31371M-Z2-6	FNMA POOL 256461		03/25/2014	Principal payment		1,450	1,449.73	1,542	1,547	(98)			(98)		1,450					10/01/2026	1FE

(continues)

(a) For all common stock bearing the NAIC market indicator 'U' provide: the number of such issues

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identifi- cation	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amort- ization)/ Accretion	Current Year's Other- Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designa- tion or Market Indi- cator (a)
Bonds - U. S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions (continued)																					
31371N-YZ-2	FNMA POOL 257328		03/25/2014	Principal payment		4,894	4,894.15	5,163	5,160	(266)			(266)		4,894					08/01/2018	1FE
31393V-AV-3	FREDDIE MAC CMO SER 2632 A		03/17/2014	Principal payment		7,324	7,323.56	7,607	7,570	(247)			(247)		7,324					01/15/2018	1FE
31395F-6J-8	FREDDIE MAC SER 2836 CL EG		03/17/2014	Principal payment		4,151	4,150.89	4,400	4,372	(221)			(221)		4,151					12/15/2032	1FE
31402D-PV-6	FNMA 725936		03/25/2014	Principal payment		4,503	4,503.23	4,911	4,902	(399)			(399)		4,503					08/01/2019	1FE
31417Y-TE-7	FN MA-0548		03/25/2014	Principal payment		2,740	2,740.23	2,877	2,879	(139)			(139)		2,740					09/01/2020	1FE
31418U-YT-5	FN AD-7021		03/25/2014	Principal payment		2,817	2,817.28	2,978	2,985	(167)			(167)		2,817					05/01/2020	1FE
31393E-B3-2	FNMA CMO 2003 CE		02/25/2014	Principal payment		5,109	5,109.37	5,109	5,109						5,109					10/25/2033	1FE
31406G-YX-1	FN 809926		02/25/2014	Principal payment		3,475	3,474.98	3,788	3,475						3,475					02/01/2035	1FE
31417T-YA-0	FN AC-7004		02/25/2014	Principal payment		2,902	2,902.48	3,124	2,902						2,902					12/01/2024	1FE
3199999	- Subtotal - Bonds - U. S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions					680,920	632,521.01	673,241	684,092	(2,999)			(2,999)		669,606		11,313	11,313	5,923		
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
001055-AH-5	AFLAC INC SR NOTE		02/03/2014	Wells Fargo		119,660	115,000.00	120,750	119,202	(112)			(112)		119,091		569	569	1,422	02/15/2017	1FE
007924-AF-0	AEGON N V NOTE		02/24/2014	JP Morgan Securities		122,435	115,000.00	124,823	122,630	(334)			(334)		122,296		139	139	1,226		2FE
023135-AH-9	AMAZON.COM		02/03/2014	Sumridge Partners		113,811	115,000.00	114,460	114,544	10			10		114,554		(743)	(743)	245	11/29/2017	2FE
056752-AA-6	BAIDU INC.		02/24/2014	Wells Fargo		99,627	100,000.00	98,800	98,914	22			22		98,936		691	691	538	11/28/2017	1FE
369604-BC-6	GENERAL ELECTRIC CO.		02/03/2014	Sumridge Partners		113,668	100,000.00	112,158	107,635	(155)			(155)		107,480		6,188	6,188	831	12/06/2017	1FE
38143U-SC-6	GOLDMAN SACHS GROUP INC		02/24/2014	Morgan Stanley & Co. Inc.		120,710	115,000.00	114,048	114,577	16			16		114,593		6,117	6,117	2,281	02/07/2016	1FE
59018Y-J6-9	MERRILL LYNCH CO. INC.		02/24/2014	First Tennessee Securities Corp.		133,125	115,000.00	135,234	132,427	(390)			(390)		132,037		1,087	1,087	3,598	08/28/2017	2FE
64952W-BC-6	NEW YORK LIFE GLOBAL FDG		02/03/2014	Merrill Lynch Professional		155,534	150,000.00	154,071	152,175	(71)			(71)		152,104		3,429	3,429	2,031	07/14/2016	1FE
78387G-AL-7	SBC COMMUNICATIONS INC.		02/24/2014	Raymond James/FI		127,219	115,000.00	125,252	119,054	(133)			(133)		118,921		8,298	8,298	1,240	06/15/2016	1FE
959802-AB-5	WESTERN UNION CO.		02/24/2014	Raymond James/FI		127,876	115,000.00	111,403	113,469	43			43		113,512		14,364	14,364	2,709	10/01/2016	2FE
3899999	- Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					1,233,663	1,155,000.00	1,210,999	1,194,627	(1,103)			(1,103)		1,193,523		40,140	40,140	16,122		
8399997	- Subtotal - Bonds - Part 4					2,588,544	2,433,518.70	2,543,715	2,537,884	(6,305)			(6,305)		2,520,092		68,452	68,452	26,275		
8399999	- Subtotal - Bonds					2,588,544	2,433,518.70	2,543,715	2,537,884	(6,305)			(6,305)		2,520,092		68,452	68,452	26,275		
9999999	- TOTALS					2,588,544		2,543,715	2,537,884	(6,305)			(6,305)		2,520,092		68,452	68,452	26,275		

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Schedule DB, Part A, Section 1
NONE

Description of Hedged Risk (s)
NONE

Financial or Economic Impact of the Hedge
NONE

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Schedule DB, Part B, Section 1
NONE

Schedule DB, Part B, Section 1, Broker Name
NONE

Schedule DB, Part B, Description of Hedged Risk (s)
NONE

Schedule DB, Part B, Financial or Economic Impact of the Hedge
NONE

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Schedule DB, Part D, Section 1
NONE

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Schedule DB, Part D, Section 2, By Reporting Entity
NONE

Schedule DB, Part D, Section 2, To Reporting Entity
NONE

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Schedule DL, Part 1
NONE

Page E11

Schedule DL, Part 2
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository		2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
		Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	*
Name	Location and Supplemental Information					First Month	Second Month	Third Month	
Open Depositories									
FIRST MIDWEST BANK	CHICAGO, IL					121,320	(24,107)	532,588	.
UNITED TRUST BANK	PALOS HEIGHTS, IL			25		100,876	100,879	100,882	.
0199999 - TOTAL - Open Depositories				25		222,196	76,772	633,470	.
0399999 - TOTAL Cash on Deposit				25		222,196	76,772	633,470	.
0599999 - TOTALS				25		222,196	76,772	633,470	.

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book / Adjusted Carrying Value	Amount of Interest Due and Accrued	Amount Received During Year
Sweep Accounts							
FIFTH THIRD GOVT SELECT		03/31/2014		04/01/2014	829,874		57
WELLS FARGO ADVANTAGE GOVT	SD	03/31/2014		04/01/2014	270,037		57
UNION BANK	SD	03/31/2014		04/01/2014	5,362		57
8499999 - Sweep Accounts					1,105,273		57
8699999 - Total Cash Equivalents					1,105,273		57